BLANK

PAGE

IN THE

Supreme Court of the United States

OCTOBER TERM 1937.

No. 72.

CROWN CORK & SEAL CO., INC.,
Plaintiff-Petitioner,

vs.

FERDINAND GUTMANN & COMPANY,
Defendant-Respondent.

NOTICE OF MOTION AND MOTION TO AMEND JUDGMENT.

WILLIAM E. WARLAND,
FRANCIS H. WARLAND,
NATHANIEL L. LEEK,
Counsel for Defendant-Respondent.

BLANK

PAGE

Notice of Motion.

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1937.

CROWN CORK & SEAL CO., INC., Plaintiff-Petitioner, vs. FERDINAND GUTMANN & COMPANY, Defendant-Respondent.	No. 72.

To Thomas G. Haight, George F. Scull, John J. Darby, and George W. Porter,
Counsel for Plaintiff-Petitioner.

PLEASE TAKE NOTICE that on the 23rd day of May, 1938, at the opening of Court on said day or as soon thereafter as counsel can be heard, a motion to amend the judgment in the above entitled cause to provide that the costs in this Court shall abide the final result of the litigation herein, will be submitted to the Supreme Court of the United States.

A printed copy of the motion is served upon you herewith.

WILLIAM E. WARLAND.
FRANCIS H. WARLAND,
NATHANIEL L. LEEK.
Counsel for Defendant-Respondent.

Service accepted this
day of May, 1938.

.....
Of counsel for Plaintiff-Petitioner.

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1937.

CROWN CORK & SEAL CO., INC., Plaintiff-Petitioner, vs. FERDINAND GUTMANN & COMPANY, Defendant-Respondent.	No. 72.

Now comes the respondent by its counsel and moves that the judgment of this Court provide that the costs in this Court abide the decision of the U. S. Circuit Court of Appeals for the Second Circuit of the issues in the case not heretofore passed upon, in accordance with the opinion of this Court, for the following reasons:

That the decision of this Court dated May 2nd, 1938 was limited to one of the specific questions presented by the Writ of Certiorari and the petition therefor, and the decision states at the end thereof:

> "As our decision is limited to the first question presented, the judgment of the Circuit Court of Appeals will be reversed and the case will be remanded to that Court for decision of the other issues in the case in accordance with this opinion."

The suit is one to restrain the alleged infringement of six patents. In the Courts below four of these patents were held invalid and the plaintiff-petitioner has acquiesced in said holding. In regard to one patent, Reissue 19,117, the Circuit Court of Appeals held the defendant did not infringe.

That Court held the remaining patent, Warth divisional No. 1,967,195 invalid for delay on the part of the patentee

in filing and prosecuting the same. A writ of Certiorari was granted by this Court to review the decision of the Circuit Court of Appeals.

The sole question passed upon by this Court concerned the divisional patent 1,967,195:

> 1. "Does this Court's decision in Webster Co. v. Splitdorf Co. (264 U. S. 463) mean that, even in the absence of intervening adverse rights, an excuse must be shown for a lapse of more than two years in presenting claims in a divisional application regularly filed and prosecuted in accordance with patent office rules"?

Opinion of this court herein dated May 2, 1938.

When the case was argued in the Circuit Court of Appeals for the Second Circuit there were presented to that Court in addition to the question of the delay in filing the divisional application, the question of validity of that patent over the prior art as well as of the other patents, intervening rights, the prior use by both plaintiff and defendant of the method set forth in the two patents which were before this Court; the question of whether respondent was entitled to a license under the Johnson patent, and the validity of the interference proceeding No. 66,201.

In regard to the divisional application, the Circuit Court of Appeals passed only on the question of the delay of the patentee Warth in filing and made no finding upon, and there was no reference in its opinion to the other questions above stated. In view of the direction of this Court contained in the language previously quoted, it now becomes necessary for the Circuit Court of Appeals to pass upon the questions presented by the defenses hereinbefore referred to and it may well be that the defendant in the action may ultimately prevail although unsuccessful upon the Certiorari to this Court. If such should be the case, it would seem inequitable that defendant-respondent should have to pay the costs in this Court, irrespective of the ultimate outcome of the

litigation, merely because said plaintiff-petitioner had been successful in regard to what would then have become an abstract question of law.

The position of the parties is similar to a case in which an unsuccessful party takes an appeal and a new trial is ordered. In such cases the ultimately prevailing party is usually entitled to recover all costs. Such is the rule in New York State where this litigation arose and we understand that in this regard it is the practice of the Federal Courts to follow that of the State Courts.

Ex parte Peterson, 253, U. S. 300 at 317.

In New York State Appellate Courts frequently direct that "costs shall abide the event".

11 Carmody's New York Practice, pages 388-89 and New York cases therein cited.

On the general proposition that only a completely successful party in patent litigation may recover costs, see *Sessions* v. *Romadka,* 145 U. S. 29 at 41; *O'Reilly* v. *Morse,* 15 How. 62 at 120 (dealing with U. S. R. S. Sects. 4920 and 4922), and *General Motors Corp.* v. *Leer Auto Supply Co.,* 60 F. (2d) 902; *Suddard* v. *American Motor Co.,* 163 F. 852.

The *opinion* of this court in the case at Bar is silent upon the question of costs, but we are informed by the Clerk that in the absence of a provision to the contrary, costs will be taxed in favor of the plaintiff-petitioner who obtained a "reversal". If it were not for the foregoing, we should assume that pursuant to sub-division 3 of Rule 32 of this Court, the court below would have power to make an award of the costs in this court. We respectfully submit that under the circumstances of this case the defendant-respondent should be awarded costs if ultimately successful and in order to pre-

vent any difficulty arising in regard thereto, ask that the mandate be amended to provide that the costs in this court abide the event of the litigation.

Dated New York, May 16, 1938.

Respectfully submitted,

WILLIAM E. WARLAND,
FRANCIS H. WARLAND,
NATHANIEL L. LEEK.

Counsel for Defendant-Respondent.